

# House Study Bill 646 - Introduced

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON EDUCATION BILL BY  
CHAIRPERSON ROGERS)

## A BILL FOR

1 An Act relating to school district transportation costs by  
2 establishing a transportation equity program and making  
3 appropriations.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION.   **257.16C   Transportation equity**  
2 **program — fund.**

3     1. A transportation equity program is established to  
4 provide prioritized additional funding for school districts  
5 with a transportation cost per pupil that exceeds the statewide  
6 adjusted transportation cost per pupil for the same budget  
7 year.

8     2. *a.* For the budget year beginning July 1, 2019, and  
9 each succeeding budget year, the department of management  
10 shall annually determine a statewide adjusted transportation  
11 cost per pupil that is not lower than the statewide average  
12 transportation cost per pupil. The statewide adjusted  
13 transportation cost per pupil shall be annually determined, by  
14 taking into account amounts appropriated to the transportation  
15 equity fund under subsection 3, for the purpose of providing  
16 transportation equity aid for those school districts with the  
17 highest transportation cost per pupil differential.

18     *b.* Each school district that satisfies the criteria of  
19 subsection 1 shall receive transportation equity aid in an  
20 amount equal to the school district's actual enrollment for  
21 the school year, excluding the shared-time enrollment for the  
22 school year, multiplied by the school district's transportation  
23 cost per pupil differential for the budget year.

24     *c.* For purposes of this section:

25       (1) "*Statewide average transportation cost per pupil*" means  
26 the total transportation cost for all school districts in the  
27 state used to calculate each school district's transportation  
28 cost per pupil under paragraph "*d*" divided by the total  
29 enrollment for school districts used to calculate each school  
30 district's transportation cost per pupil under paragraph "*d*".

31       (2) "*Transportation cost per pupil differential*" means the  
32 difference between a school district's transportation cost per  
33 pupil and the statewide adjusted transportation cost per pupil  
34 for the same budget year.

35     *d.* A district's transportation cost per pupil shall be

1 determined by dividing the district's actual cost for all  
2 children transported in all school buses for a school year  
3 pursuant to section 285.1, subsection 12, less the amount  
4 received for transporting nonpublic school pupils under section  
5 285.1, by the district's actual enrollment for the school year,  
6 excluding the shared-time enrollment for the school year as  
7 defined in section 257.6.

8     3. *a.* A transportation equity fund is created as a separate  
9 and distinct fund in the state treasury under the control of  
10 the department of management. Moneys in the fund include  
11 revenues credited to the fund, appropriations made to the  
12 fund, and other moneys deposited in the fund. For each fiscal  
13 year beginning on or after July 1, 2019, there is appropriated  
14 all moneys in the fund to the department of management for  
15 purposes of making transportation equity aid payments under  
16 this section.

17     *b.* If the balance of the fund exceeds the amount necessary  
18 to make all transportation equity aid payments under  
19 subsection 2, moneys remaining in the fund shall be used for  
20 transportation base funding payments under subsection 4.

21     *c.* If the balance of the fund exceeds the amount necessary  
22 to make all transportation equity aid payments and all  
23 transportation base funding payments, moneys remaining in the  
24 fund at the end of a fiscal year, notwithstanding section 8.33,  
25 shall remain in the fund and shall be available for expenditure  
26 for the purposes of this section in subsequent fiscal years.

27     4. For budget years beginning on or after July 1, 2019, if  
28 funding is available as provided in subsection 3, paragraph  
29 "*b*", each school district in the state shall receive a  
30 transportation base funding payment in an amount equal to the  
31 school district's enrollment used under subsection 2, paragraph  
32 "*d*", multiplied by the statewide average transportation cost  
33 per pupil for the budget year. If an amount appropriated for  
34 a budget year is insufficient to pay all transportation base  
35 funding payments, the department of management shall prorate

1 such payment amounts.

2     5. Transportation equity aid payments and transportation  
3 base funding payments shall be paid by the department of  
4 education at the same time and in the same manner as foundation  
5 aid is paid under section 257.16, and may be included in the  
6 monthly payment of state aid under section 257.16, subsection  
7 2.

6. Transportation equity aid payments and transportation base funding payments received under this section are miscellaneous income and shall be deposited in the general fund of the school district. However, the transportation equity aid amount and the transportation base funding amount shall not be included in district cost. Transportation equity aid under this section shall not affect the receipt or amount of a budget adjustment received under section 257.14 or transportation assistance aid under section 257.31, subsection 17.

## EXPLANATION

18           The inclusion of this explanation does not constitute agreement with  
19           the explanation's substance by the members of the general assembly.

20 This bill establishes the transportation equity program to  
21 provide prioritized additional funding for school districts  
22 with a transportation cost per pupil that exceeds the  
23 statewide adjusted transportation cost per pupil for the  
24 same budget year. For the budget year beginning July 1,  
25 2019, the department of management is required to determine  
26 a statewide adjusted transportation cost per pupil that is  
27 not lower than the statewide average transportation cost per  
28 pupil. The statewide adjusted transportation cost per pupil  
29 shall be annually determined, by taking into account amounts  
30 appropriated by the general assembly, for the purpose of  
31 providing transportation equity aid for those school districts  
32 with the highest transportation cost per pupil differential.

33 Each eligible school district shall receive transportation  
34 equity aid in an amount equal to the school district's actual  
35 enrollment for the school year, excluding the shared-time

1 enrollment for the school year, multiplied by the school  
2 district's transportation cost per pupil differential  
3 for the budget year. The bill defines "statewide average  
4 transportation cost per pupil" and "transportation cost per  
5 pupil differential". The bill also establishes the method used  
6 to calculate a school district's transportation cost per pupil.

7 The bill establishes a transportation equity fund and  
8 annually appropriates all moneys in the fund to the department  
9 of management for purposes of making transportation equity aid  
10 payments and transportation base funding payments.

11 For budget years beginning on or after July 1, 2019,  
12 if sufficient funding is available in the transportation  
13 equity fund, each school district in the state receives a  
14 transportation base funding payment in an amount equal to  
15 the school district's specified enrollment multiplied by  
16 the statewide average transportation cost per pupil. If an  
17 amount appropriated for a budget year is insufficient to pay  
18 all transportation base funding payments, the department of  
19 management is required to prorate such payment amounts.

20 If the balance of the fund exceeds the amount necessary to  
21 make all payments provided in the bill, moneys remaining in the  
22 fund at the end of the fiscal year are required to remain in  
23 the fund and are available for expenditure in subsequent fiscal  
24 years. The bill also establishes the timing and procedure for  
25 making such payments.

26 Transportation equity aid payments and transportation  
27 base funding payments are miscellaneous income and shall be  
28 deposited in the general fund of the school district. However,  
29 such amounts shall not be included in district cost and  
30 shall not affect the receipt or amount of a budget adjustment  
31 received under Code section 257.14 or transportation assistance  
32 aid under Code section 257.31(17).